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FIVE ONLY

in court

\$671 million suit filed by Rewald against CIA

By Ken Kobayashi
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Businessman Ronald R. Rewald yesterday filed a federal lawsuit seeking \$671 million from the Central Intelligence Agency on behalf of himself and others who lost millions by investing in his bankrupt company.

"I hope investors will realize this represents their only chance (to get their money)," said Rewald's attorney, Robert Smith.

The basis for the suit, however, was sealed by Smith, who cited federal Judge Martin Pence's ruling last year prohibiting any disclosure by Rewald and his attorneys of classified CIA matters.

The suit acknowledges that the bankruptcy trustee for Rewald's firm — Bishop, Baldwin, Rewald, Dillingham and Wong — holds the rights to any claims against the CIA.

The suit, however, said the trustee declined to file such an action. The suit said Rewald intends to ask the federal

bankruptcy court to allow him to pursue that claim on behalf of the investors and creditors.

Rewald is expected to join forces with others who are also seeking compensation from the CIA. Recently, retired chiropractor-turned-movie producer Dr. Ted Frigard — who said he lost \$300,000 — announced he planned to sue the CIA for \$10 million. The suit was expected to be filed by San Francisco attorney Melvin Belli.

Rewald is expected in state court today for a hearing on his request for permission to leave Hawaii for three weeks to visit his family in Wisconsin and meet with Belli in San Francisco.

Rewald is free on a \$140,000 bond pending his trial in state court later this year on charges that he stole money from two investors.

Circuit Judge Robert W.B. Chang will also hear a request by the city prosecutor's office to force a showing that those who back Rewald's bond have sufficient property.